



State Capitol | Lansing, Michigan 48913
PH (517) 373.2420 | FAX (517) 373.2764
www.senate.michigan.gov/gop/senator/garcia/

For Immediate Release
January 19, 2006

Contact: Maleigh Jackson
517-373-2420

Garcia Supports Legislation to Create Jobs

Senate passes bills to cut taxes, boost the state economy

LANSING – State Senator Valde Garcia, R-Howell, announced today the Senate passed a package of legislation aimed at jumpstarting the economy by enticing small business to stay in the state.

SB 957 will cut taxes in half for more than 30,000 Michigan job providers by reducing the alternative Single Business Tax rate from 2 percent to 1 percent. The bill will provide \$30 million in tax relief to small businesses in calendar year 2006.

SB 956 will place surplus budget funds into the state's savings account. Based on projections, a budget surplus of \$116.3 million is available for this account.

Additionally, the package of House bills also establishes protections against onerous regulations by the Michigan Department of Treasury. Provisions in the legislation include:

- Protection from retroactive regulations issued by the Michigan Department of Treasury;
- A requirement that auditors inform taxpayers of refund opportunities that are discovered during an audit;
- Allowance for taxpayers to claim a credit amount as an offset against a debit amount identified during an audit; and
- Taxpayers' right to an informal conference if the Michigan Department of Treasury issues a credit audit, a refund denial or a denial of a consolidation request.

"The series of legislation passed today will help eliminate barriers to economic growth and job creation," Garcia said.

-###-